EUR 2.4 billion lost every year across the EU due to fake tyres and batteries

A new report from the European Union Intellectual Property Office (EUIPO) shows that EUR 2.2 billion — corresponding to 7.5 % of all sales in the tyre sector — are lost each year due to counterfeiting across the EU.

In addition, the presence of counterfeit batteries in the EU market costs legitimate industry EUR 180 million each year, which is equivalent to 1.8 % of the sector's sales. Counterfeit batteries mostly affect the vehicle sector but are also found in the mobile phone sector.

Those lost sales translate into approximately 8 400 jobs lost directly across the two sectors, as legitimate manufacturers employ fewer people than they would have done in the absence of counterfeiting.

The total loss of government revenue as a result of counterfeit tyres and batteries in terms of lost taxes amounts to EUR 340 million.

The Executive Director of the EUIPO, António Campinos, said:

We hope that the findings of this report, which looks at two important economic sectors in the EU, will help policymakers as they study ways of combating counterfeiting. Furthermore, as fake tyres and batteries can have significant safety and environmental consequences, we also hope it will help consumers to choose wisely when purchasing these vital items.

Today's report is the twelfth in a series of studies released by the EUIPO, via the European Observatory on Infringements of Intellectual Property Rights, into the economic impact of counterfeiting on industrial sectors in the EU.

The series previously looked at: the cosmetics and personal care sector; the clothing, footwear and accessories sector; the sports goods sector; the toys and games sector; the jewellery and watches sector; the handbags and luggage sector; the recorded music industry; the spirits and wine sector; the pharmaceutical sector; the pesticides sector; and the smartphone sector.

Germany

In Germany, lost tyre sales due to counterfeiting are estimated at EUR 261 million, with an estimated 4.2 % of revenue lost for the legitimate industry. Lost battery sales due to counterfeiting are estimated at EUR 31 million, with an estimated 1.1 % of revenue lost for the legitimate industry.
France

In France, lost tyre sales due to counterfeiting are estimated at EUR 411 million, with an estimated 7.6 % of revenue lost for the legitimate industry. Lost battery sales due to counterfeiting are estimated at EUR 27 million, with an estimated 2 % of revenue lost for the legitimate industry.

United Kingdom

In the United Kingdom, lost tyre sales due to counterfeiting are estimated at EUR 201 million (146 million GBP), with an estimated 5.5 % of revenue lost for the legitimate industry. Lost battery sales due to counterfeiting are estimated at EUR 13 million (9 million GBP), with an estimated 1.4 % of revenue lost for the legitimate industry.

Italy

In Italy, lost tyre sales due to counterfeiting are estimated at EUR 256 million, with an estimated 5.9 % of revenue lost for the legitimate industry. Lost battery sales due to counterfeiting are estimated at EUR 18 million, with an estimated 1.5 % of revenue lost for the legitimate industry.

Spain

In Spain, lost tyre sales due to counterfeiting are estimated at EUR 445 million, with an estimated 17.6 % of revenue lost for the legitimate industry. Lost battery sales due to counterfeiting are estimated at EUR 32 million, with an estimated 4.6 % of revenue lost for the legitimate industry.

Poland

In Poland, lost tyre sales due to counterfeiting are estimated at EUR 74 million (310 million zloty), with an estimated 6.6 % of revenue lost for the legitimate industry. Lost battery sales due to counterfeiting are estimated at EUR 6 million (25 million zloty), with an estimated 1.7 % of revenue lost for the legitimate industry.

NOTE TO EDITORS

The manufacture of tyres, as covered in this analysis, includes tyres for vehicles (cars, motorbikes, etc.), equipment, furniture and other uses, inner tubes for tyres, tyre treads, tyre flaps, etc. and tyre rebuilding and re-treading. Batteries, in this analysis, include primary cells and primary batteries, as well as lead-acid, NiCad, NiMH, lithium, dry-cell and wet-cell batteries.

ABOUT THE EUIPO

The EUIPO is a decentralised agency of the EU, based in Alicante, Spain. It manages the registration of the European Union trade mark (EUTM) and the registered Community design (RCD), both of which provide intellectual property protection in all 28 EU Member States. The EUIPO also carries out cooperation activities with the national and regional IP offices of the EU.
The European Observatory on Infringements of Intellectual Property Rights was established in 2009 to support the protection and enforcement of intellectual property rights and to help combat the growing threat of intellectual property infringements in Europe. It was transferred to the EUIPO on 5 June 2012 by Regulation (EU) No 386/2012 of the European Parliament and of the Council.

Press contacts

Laura Casado
Tel. +34 965138934
Laura.CASADO@euipo.europa.eu

Ruth McDonald
Tel. +34 965137676
Ruth.MCDONALD@euipo.europa.eu

Claire Castel
Tel. +34 965199735
Claire.CASTEL@euipo.europa.eu

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